

EXHIBIT B

In the Matter Of:

UNITED STATES OF AMERICA v

GOOGLE, LLC

GOPAL KRISHAN BHATIA

September 21, 2023



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1	INDEX TO EXHIBITS	
2	WITNESS: GOPAL KRISHAN BHATIA	
3	Thursday, September 21, 2023	
4	MARKED	DESCRIPTION PAGE
5	Exhibit 1	Email chain ending on
6		October 19, 2017; COM-00003942 104
7	Exhibit 2	Order Form - Google Ad Manager
8		360 Service; COM-00246875 111
9	Exhibit 3	Email dated August 11, 2016,
10		with attachment; COM-00252865 134
11	Exhibit 4	Article from Ad Age dated
12		May 2, 2022 156
13	Exhibit 5	Email chain ending on July 10,
14		2017; COM-00012801 163
15	Exhibit 6	Email chain ending on
16		March 12, 2020, with
17		attachment; COM-00122098 182
18	Exhibit 7	Email chain ending on
19		February 28, 2017;
20		COM-00009502 186
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1	INDEX TO EXHIBITS	
2	WITNESS: GOPAL KRISHAN BHATIA	
3	Thursday, September 21, 2023	
4	MARKED	DESCRIPTION PAGE
5	Exhibit 8	Email chain ending on
6		November 26, 2019;
7		DOJ_Ads_B_00000060128 191
8		
9	** All exhibits were attached to the	
10	original transcript **	
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Page 8		
1	*****	
2	PROCEEDINGS	
3	September 21, 2023, 10:02 a.m.	
4	New York, New York	
5	*****	
6	THE VIDEOGRAPHER: We are now on	
7	the record. My name is Jonathan	
8	Juarez. I am a legal videographer for	
9	Lexitas.	
10	Today's date is September 21,	
11	2023, and the time is 10:03 a.m.	
12	This deposition is taking place	
13	at 450 Lexington Avenue, New York,	
14	New York, in the matter of United	
15	States vs. Google LLC.	
16	The deponent is Krishan Bhatia.	
17	All counsel will be noted on the	
18	stenographic record.	
19	The court reporter is Jessie	
20	Waack and will now swear in the	
21	witness.	
22	*****	
23	GOPAL KRISHAN BHATIA, sworn	
24	on oath and/or affirmed, called as a	
25	witness herein, was examined and testified	

Page 9		
1	as follows:	
2	*****	
3	EXAMINATION	
4	BY MR. GEIGER:	
5	Q. Good morning, Mr. Bhatia.	
6	How are you?	
7	A. Good morning. Well, thank you.	
8	Q. Great. My name is David Geiger.	
9	I represent the United States of America.	
10	I'm joined by my colleagues today Matthew	
11	Gold, Bergen Smith, Jeff Qui, and Elizabeth	
12	Aramayo.	
13	Would counsel for Mr. Bhatia	
14	please identify themselves for the record.	
15	MR. BURKE: You've got Art Burke	
16	and Chris Lynch from Davis Polk	
17	representing the witness.	
18	MR. SCHWED: Mariano Schwed,	
19	in-house counsel at NBCUniversal.	
20	MR. GREENBAUM: You've got Carter	
21	Greenbaum from Paul Weiss representing	
22	Google.	
23	BY MR. GEIGER:	
24	Q. Mr. Bhatia, would you please	
25	spell your full name for the record.	

<p style="text-align: right;">Page 86</p> <p>1 service.</p> <p>2 Q. Does AdX charge a take rate for</p> <p>3 display ads?</p> <p>4 A. Yes, it does.</p> <p>5 Q. What is AdX's take rate for</p> <p>6 display ads?</p> <p>7 A. It depends on the form of</p> <p>8 transaction. There are various forms that</p> <p>9 it enables. I believe there are three or</p> <p>10 four.</p> <p>11 But for the primary one, their</p> <p>12 take rate is around 20 percent.</p> <p>13 Q. And which is the primary form of</p> <p>14 transaction?</p> <p>15 A. I think it's just the open</p> <p>16 exchange transaction method.</p> <p>17 Q. So open auction?</p> <p>18 A. Correct.</p> <p>19 Q. What are the other forms of</p> <p>20 transaction on AdX?</p> <p>21 A. There are programmatic guaranteed</p> <p>22 deals which we talked about earlier, and</p> <p>23 there might be a couple of other methods of</p> <p>24 transacting. But the primary form we use</p> <p>25 is the open -- open auction.</p>	<p style="text-align: right;">Page 88</p> <p>1 a -- on a CPM basis versus on a rev share</p> <p>2 business, which is the same as a take rate,</p> <p>3 and so the economics are not transparent --</p> <p>4 (Stenographer asks for</p> <p>5 clarification.)</p> <p>6 THE WITNESS: Are not. Sorry.</p> <p>7 The economics are not transparent</p> <p>8 to the publisher as to how much of the</p> <p>9 gross media revenue they may retain.</p> <p>10 BY MR. GEIGER:</p> <p>11 Q. Can you explain kind of the --</p> <p>12 how that works where the provider charges</p> <p>13 on a CPM basis?</p> <p>14 A. Sure. A provider, as an example,</p> <p>15 could charge a marketer a \$10 CPM for a</p> <p>16 certain campaign, and it could pay out any</p> <p>17 given CPM of that to a publisher. It could</p> <p>18 be \$8. It could be \$7. It could be more</p> <p>19 or less than that.</p> <p>20 And if I don't know the gross</p> <p>21 media value, then it's not transparent to</p> <p>22 me what the actual take rate or revenue</p> <p>23 retention might be by that platform.</p> <p>24 Q. The providers that use that</p> <p>25 model, are they ad networks?</p>
<p style="text-align: right;">Page 87</p> <p>1 Q. And for open auction, AdX's take</p> <p>2 rate is 20 percent?</p> <p>3 A. I believe so, yes.</p> <p>4 Q. For open auction display ads, how</p> <p>5 does AdX's take rate compare with the take</p> <p>6 rate of the other exchanges that NBCU uses?</p> <p>7 A. I don't know all the take rates</p> <p>8 specifically of the others, but I believe</p> <p>9 they're generally lower and in the -- it</p> <p>10 really depends. It really depends on</p> <p>11 which -- which provider we're talking</p> <p>12 about.</p> <p>13 Some can be lower. Some don't</p> <p>14 have a take rate model, so it's hard to</p> <p>15 actually determine what the take rate might</p> <p>16 be. They operate in a different way.</p> <p>17 But for those that have a take</p> <p>18 rate, I believe it's lower and probably in</p> <p>19 the 10 to 15 percent range or so.</p> <p>20 Q. You mentioned that some of the</p> <p>21 exchanges that NBCU uses don't have a take</p> <p>22 rate model.</p> <p>23 Can you elaborate on how they</p> <p>24 charge for their services?</p> <p>25 A. Some providers operate more on</p>	<p style="text-align: right;">Page 89</p> <p>1 A. Yes. Generally speaking, they</p> <p>2 are.</p> <p>3 Q. Which ad networks does NBCU use</p> <p>4 today?</p> <p>5 A. There's one we work with called</p> <p>6 Kargo, for example, which is a mobile ad</p> <p>7 network.</p> <p>8 Q. How do you spell Kargo?</p> <p>9 A. K-a-r-g-o.</p> <p>10 Q. You use them for mobile display</p> <p>11 ads?</p> <p>12 A. Correct.</p> <p>13 Q. Is that in app or also mobile</p> <p>14 web?</p> <p>15 A. I believe it's both.</p> <p>16 Q. You mentioned header integrations</p> <p>17 a couple minutes ago, so I want to talk</p> <p>18 about header bidding --</p> <p>19 A. Okay.</p> <p>20 Q. -- for the next few minutes.</p> <p>21 Are you familiar with the term</p> <p>22 "header bidding"?</p> <p>23 A. I am.</p> <p>24 Q. What is header bidding?</p> <p>25 A. Header bidding is a technology</p>

<p style="text-align: right;">Page 90</p> <p>1 solution to enable multiple ad exchanges</p> <p>2 and ad networks to compete with each other</p> <p>3 for a certain publisher's inventory,</p> <p>4 basically.</p> <p>5 Q. Do you have an understanding as</p> <p>6 to why header bidding was developed</p> <p>7 initially?</p> <p>8 A. Yes --</p> <p>9 MR. GREENBAUM: Objection. Form.</p> <p>10 Foundation.</p> <p>11 THE WITNESS: Yes, I do.</p> <p>12 BY MR. GEIGER:</p> <p>13 Q. And what is your understanding?</p> <p>14 A. It was to provide more</p> <p>15 competition in the display advertising</p> <p>16 marketplace, in particular, for ad</p> <p>17 exchanges and ad networks.</p> <p>18 Q. And how did you gain an</p> <p>19 understanding?</p> <p>20 A. That was a big industry topic at</p> <p>21 the time that it emerged within the digital</p> <p>22 advertising ecosystem.</p> <p>23 Q. Was there a need for more</p> <p>24 competition in the display advertising</p> <p>25 marketplace?</p>	<p style="text-align: right;">Page 92</p> <p>1 ads to publishers.</p> <p>2 And in a cascading manner, you</p> <p>3 don't ensure that all potential bids are</p> <p>4 received at the same time and that the</p> <p>5 highest bid basically wins.</p> <p>6 Q. So because of this cascading</p> <p>7 manner, were there scenarios in which the</p> <p>8 exchange that would have paid the highest</p> <p>9 for that impression didn't actually get a</p> <p>10 chance to bid --</p> <p>11 A. Correct.</p> <p>12 Q. -- on that impression?</p> <p>13 A. Yes, correct.</p> <p>14 Q. And can you explain how that</p> <p>15 worked?</p> <p>16 A. Well, if you have a sort of</p> <p>17 staggered way of running multiple ad</p> <p>18 exchanges, the impression becomes</p> <p>19 available, and there's an ad exchange that</p> <p>20 is at the top of the waterfall that gets to</p> <p>21 make a bid, and they might be willing to</p> <p>22 pay X.</p> <p>23 And if that is above your floor</p> <p>24 price, then the bid clears and the ad</p> <p>25 delivers, there could have been an exchange</p>
<p style="text-align: right;">Page 91</p> <p>1 MR. GREENBAUM: Objection. Form.</p> <p>2 THE WITNESS: I believe most</p> <p>3 players believed so, yes.</p> <p>4 BY MR. GEIGER:</p> <p>5 Q. And what's your understanding as</p> <p>6 to why that was believed?</p> <p>7 A. Generally, display advertising,</p> <p>8 at the time, you know, accrued primarily to</p> <p>9 the Google Ad Exchange, and there were</p> <p>10 several other ad exchanges that were</p> <p>11 competing to grow.</p> <p>12 And the way that publishers had</p> <p>13 set up indirect revenue enablement didn't</p> <p>14 allow ad exchanges to compete head to head,</p> <p>15 basically.</p> <p>16 Q. Can you explain why it was that</p> <p>17 the way indirect revenue enablement was set</p> <p>18 up didn't allow ad exchanges to compete</p> <p>19 head to head?</p> <p>20 A. Publishers generally use</p> <p>21 something we called a waterfall or a daisy</p> <p>22 chain, and that allowed publishers to work</p> <p>23 with different ad exchanges, but there</p> <p>24 would be a cascading way that those ad</p> <p>25 exchanges got to bid on and then deliver</p>	<p style="text-align: right;">Page 93</p> <p>1 further down in the waterfall that might be</p> <p>2 willing to pay X plus something.</p> <p>3 And they would not be able to</p> <p>4 serve against that impression because it</p> <p>5 was already taken.</p> <p>6 Q. And with respect to DFP, are you</p> <p>7 familiar with the term "dynamic</p> <p>8 allocation"?</p> <p>9 A. Yes, I believe I recall that.</p> <p>10 Q. And what do you understand</p> <p>11 dynamic allocation to be?</p> <p>12 A. I think dynamic allocation was</p> <p>13 Google's tool for managing multiple demand</p> <p>14 sources within its own ad exchange, if I</p> <p>15 recall correctly.</p> <p>16 Q. And do you have an understanding</p> <p>17 as to where AdX was placed in the waterfall</p> <p>18 as a result of dynamic allocation?</p> <p>19 A. I would assume that we had placed</p> <p>20 the Google Ad Exchange at the top of the</p> <p>21 prioritization after our direct sales,</p> <p>22 basically, which were always the highest</p> <p>23 priority.</p> <p>24 Q. Was dynamic allocation a setting</p> <p>25 that NBCU chose to use?</p>

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1 A. No, we could not.

2 Q. Can NBCU use DFP to place ads on

3 Meta?

4 A. I don't believe we can.

5 MR. GEIGER: If we can take a

6 short break, go off the record. I

7 think I'm almost done, but I just want

8 to take a few minutes.

9 MR. BURKE: Okay.

10 THE VIDEOGRAPHER: The time right

11 now is 2:35 p.m., and we're off the

12 record.

13 (Whereupon, a recess was taken at

14 2:35 p.m.)

15 THE VIDEOGRAPHER: The time right

16 now is 2:45 p.m., and we're back on the

17 record.

18 MR. GEIGER: Welcome back,

19 Mr. Bhatia.

20 I don't have any more questions

21 at this time, so I'll just reserve

22 whatever I have in case Mr. Greenbaum

23 has any more questions.

24 THE WITNESS: Okay.

25 MR. GREENBAUM: Thank you,

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1 Mr. Bhatia, for your time. I don't

2 have any more questions. I appreciate

3 it.

4 THE WITNESS: Thank you both.

5 MR. GEIGER: Thank you very much,

6 Mr. Bhatia. We appreciate your time.

7 THE WITNESS: Sure thing.

8 THE VIDEOGRAPHER: Off the

9 record.

10 The time right now is 2:45 p.m.,

11 and we're off the record.

12 (Time noted: 2:45 p.m.)

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1 REPORTER CERTIFICATE

2 I, the undersigned, do hereby certify:

3 That GOPAL KRISHAN BHATIA was by me duly

4 sworn in the within-entitled cause; that

5 said deposition was taken at the time and

6 place herein named; and that the deposition

7 is a true record of the witness's testimony

8 as reported by me, a disinterested person,

9 and was thereafter transcribed.

10 I further certify that I am not

11 interested in the outcome of the said

12 action, nor connected with, nor related to

13 any of the parties in said action, nor to

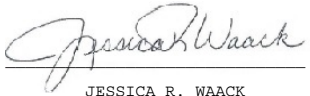
14 their respective counsel.

15 IN WITNESS WHEREOF, I have hereunto set

16 my hand this 21st day of September, 2023.

17 Signature: X_Requested_Waived_Not Requested

18

19 

20 JESSICA R. WAACK

21 Registered Diplomat Reporter

22 Certified Realtime Reporter

23 California Certified Realtime Reporter

24 New York Realtime Court Reporter

25 New York Association Court Reporter

Notary Public, State of New York

CCR-NJ (No. 30XI008238700) CSR-TX (No. 11958)

CCR-WA (No. 21007264), CSR-CA (No. 14420)

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1 INSTRUCTIONS TO WITNESS

2

3 Please read your deposition over

4 carefully and make any necessary

5 corrections. You should state the reason

6 in the appropriate space on the errata

7 sheet for any corrections that are made.

8 After doing so, please sign the

9 errata sheet and date it.

10 You are signing same subject to

11 the changes you have noted on the errata

12 sheet, which will be attached to your

13 deposition.

14 It is imperative that you return

15 the original errata sheet to the deposing

16 attorney within thirty (30) days of

17 receipt of the deposition transcript by

18 you. If you fail to do so, the deposition

19 transcript may be deemed to be accurate

20 and may be used in court.

21

22

23

24

25